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## FCC Establishes COVID-19 Telehealth and Connected Care Programs

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The Federal Communications Commission (FCC) adopted a [Report & Order](#) that establishes a \$200 million emergency COVID-19 Telehealth Program to provide connected care services during the pandemic and a Connected Care Pilot program that will provide \$100 million for similar services over the long-term. Both programs will be administered by the Commission. Congress appropriated the Telehealth Program funding in the recently-passed CARES Act.

### General Overview

In the Report & Order, the FCC said there are different barriers to telehealth adoption and deployment. First, there are the costs of standing up, implementing, and providing connected care services, including the costs of services necessary to capture, transmit (including video visits), and store data for connected care services. Second, the lack of mobile or residential broadband Internet access service for patients is another obstacle. Third, even in households with broadband, the service may be inadequate for health care needs.

Based in part on these factors, the Commission took action to establish the COVID-19 Telehealth Program and the Connected Care Pilot Program. The purpose of the **COVID-19 Telehealth Program** is to take steps that will have an immediate impact on health care providers and their patients dealing with the current pandemic. The Commission has a strong interest in targeting funding towards areas that have been hardest hit by COVID-19. The program will provide \$200 million in funding for telecommunications services, information services, and devices necessary to enable the provision of telehealth services. This includes support for services and/or devices that generate and transmit patient-reported outcomes from patients to health care providers. The program will only fund connected monitoring devices and not unconnected devices. Eligible health care providers, whether located in rural or non-rural areas can apply for the funding.

The **Connected Care Pilot Program** is a limited duration program that will provide support to help defray health care providers' qualifying costs of providing connected care services, with a primary focus on providing these services to low-income or veteran patients. The Pilot Program will make available up to \$100 million over a three-year funding period and will be separate from the budgets of the existing universal service programs. The program will cover 85 percent of the eligible costs of broadband connectivity, network equipment, and information services necessary to provide connected care services.

## COVID-19 Telehealth Program

### Application Portal Open

The FCC Wireline Competition Bureau began accepting applications on April 13 through a dedicated application [portal](#). In reviewing the applications, the Commission said it “strongly encourages” applicants to target the funding they receive through the COVID-19 Telehealth Program to high-risk and vulnerable patients to the extent practicable.

The Commission is limiting the program to nonprofit and eligible public health care providers that fall within the categories of health care providers in section 254(h)(7)(B) of the 1996 Telecommunications Act. Those providers include: (1) post-secondary educational institutions offering health care instruction, teaching hospitals, and medical schools; (2) community health centers or health centers providing health care to migrants; (3) local health departments or agencies; (4) community mental health centers; (5) not-for-profit hospitals; (6) rural health clinics; (7) skilled nursing facilities; or (8) consortia of health care providers consisting of one or more entities falling into the first seven categories.

On April 16, the FCC [approved](#) the first set of applications and awarded \$3.2 million in funding for several hospitals and a healthcare clinic. Commissioner Brendan Carr applauded the FCC staff for their “unprecedented speed” in processing the applications.

“I am pleased that this initial batch of \$3.2 million in funding will be used to stand up telehealth programs so that our country’s health care heroes can treat both COVID-19 patients and those experiencing a range of other health conditions,” said Carr.

Telehealth Program support will be awarded on a rolling basis by the Wireline Competition Bureau, with no matching funds required. The Commission does not expect to award more than \$1 million to any single project. For more information, see the [TFG Grant Profile](#).

## Connected Care Pilot Program

The Connected Care Pilot Program will provide selected pilot projects support for a three-year funding period with separate transition periods of up to six months before and after the three-year funding period to give projects time to complete set up, close out, and address other administrative matters.

The Commission said it is interested in targeting limited funding towards pilot projects that are primarily focused on treating public health epidemics, opioid dependency, mental health conditions, high-risk pregnancy, or chronic or recurring conditions that typically require at least several months to treat, such as diabetes, cancer, kidney disease, heart disease, and stroke recovery.

The program will fund 85% of the qualifying costs incurred by eligible health care providers. These costs include: (1) patient broadband Internet access services, (2) health care provider broadband data connections, (3) other connected care information services, and (4) certain network equipment.

In the Report & Order, the Commission broadly defined “connected care services” as a subset of telehealth that uses broadband Internet access service-enabled technologies to deliver remote medical, diagnostic, patient-centered, and treatment-related services directly to patients outside of traditional brick and mortar medical facilities—including specifically to patients at their mobile location or residence.

Eligible applicants are limited to nonprofit or public health care providers, including: (1) postsecondary educational institutions offering health care instruction, teaching hospitals, and medical schools; (2) community health centers or health centers providing health care to migrants; (3) local health departments or agencies; (4) community mental health centers; (5) not-for-profit hospitals; (6) rural health clinics; (7) skilled nursing facilities; or (8) consortia of health care providers consisting of one or more entities falling into the first seven categories.

The Commission said program support will be available to health care providers located in both rural and non-rural areas, which would promote diversity among pilot projects and also maximize the potential benefits of and the data collected.

The FCC Wireline Bureau will issue a public notice announcing the deadline for submitting Pilot Program applications and instructions for filing applications with the Commission in the near future.

## Related Congressional Action

On April 10, Rep. Anna Eshoo (D-CA), chair of the House Energy and Commerce Health Subcommittee, introduced the *Healthcare Broadband Expansion During COVID-19 Act* ([H.R. 6474](#)), with Rep. Don Young (R-AK). The bill would provide \$2 billion to expand telehealth and broadband connectivity to include rural, urban, and suburban healthcare facilities, including mobile and temporary facilities established to respond to the COVID-19 pandemic. The bill also increases the subsidy rate to 85 percent and streamlines administrative requirements to ensure healthcare providers receive funding as quickly as possible.

A coalition of 48 healthcare [organizations](#) endorsed the legislation, including the Schools, Health & Libraries Coalition, and the American Healthcare Association.

Separately, Sen. Joe Manchin (D-WV) asked Health and Human Services Secretary Eric Hargan to move faster on implementing a provision in the CARES Act allowing for coverage of audio-only telehealth services. He said his state has “major issues” with reliable broadband and the allowance of audio-only telehealth will be a “life-changing service” for West Virginians. He has also asked the Centers for Medicare & Medicaid Services to issue guidance on the implementation of audio-only telehealth services.

## Next Steps

TFG will continue to monitor and provide updates on any federal legislative and regulatory actions related to telehealth and the COVID-19 pandemic. If you have any questions, please contact TFG Principal David Hoover, who covers telecommunications and technology issues, at (202) 331-8500 or [dhoover@tfgnet.com](mailto:dhoover@tfgnet.com).